

January 11, 2006

TO THE GENERAL ASSEMBLY AND THE PEOPLE OF MISSOURI:

In 2005, I worked with you to move Missouri in a new direction. We have reduced the size of state government by increasing efficiencies and redirecting available resources, and we have enacted a strong package of pro-jobs legislation. As a result of these steps and the job growth that resulted from improvements to the entrepreneurial climate, I am again presenting a balanced budget that does not rely on an increase in job-killing taxes. We have made tough decisions to focus the resources entrusted to us on the core functions and top priorities of state government: education, economic growth and quality jobs, healthcare for children, expectant mothers, seniors and disabled adults, state highway improvements and new construction, energy conservation, life sciences, public safety, agriculture, and service to our veterans.

With my Fiscal Year 2007 budget, our schools will receive full funding for the first year of the new school foundation formula – a good formula that is sensible, equitable and based on students' needs. We also recognize that higher education is an investment and in my budget for next year our two- and four-year public colleges and universities will receive a substantial increase.

As we have moved in a new direction, we have made state government a catalyst for job creation, not a free-spending, tax increasing burden that stifles that growth. Our economy is responding to my administration's pro-jobs, pro-growth policies. On average, we have seen the creation of over 500 new jobs a week since this time last year. My budget will continue our efforts to retrain existing workers, retain jobs in our state, and sell the benefits of doing business in Missouri.

We have an obligation to provide a safety net and assistance for the less fortunate. That is why my budget asks for \$275 million additional state dollars for our state's improved Medicaid program. I am directing resources to child care and to allow our seniors the ability to stay in their homes if they so desire. I am also recommending funding for a new Healthcare Technology Fund to explore ways to reduce administrative burdens, eliminate waste and fraud, and improve the quality of care by modernizing Missouri's healthcare delivery system.

The budget I submit to you is built around my belief that our state government, like our families and our businesses, must live within its means. This budget rededicates state government to the noble idea that it should function as an innovative, efficient, and conscientious servant of the people. I look forward to working with all of you to enact the Fiscal Year 2007 budget and needed legislative initiatives.

Sincerely,

Matt Blunt